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INVESTMENT POLICY, RELATIVE APPEAL AND STATISTICAL ISSUE

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INVESTMENT POLICY OUTLOOK: EASING INTEREST RATES MAY HELP BUT LARGE PROBLEMS REMAIN

REIT shares gave up part of last month's solid advances, falling by 2.6%. The Dow-Jones Industrials were soaring 14½% at the same time, indicating some profit taking by REIT traders. The Jan. 30 Chapter XI bankruptcy filing by *Fidelity Mortgage Investors*, a \$200 million REIT dampened enthusiasm for short-term construction mortgage trusts, which fell 9.1%. Long-term mortgage trusts were down only 4.2% while the equity trust group advanced 4.4%. The three subordinated land/leaseback trusts scored the best gains, ahead 11.6%.

Interest rates have fallen sharply in the past month, the prime rate coming from 9½% to 8-3/4% generally now, and New York's Chemical Bank is at 8½%. Still lower interest rates are ahead and undoubtedly will widen spreads for mortgage lending REITs. Some long-term mortgage trusts reported earnings gains for their December and January quarters. You can spot these by following the arrows in the earnings column in the computer statistical summary on pages 5 and 6. But several short-term mortgage REITs with high percentages of non-earning investments reported deepening losses in their December and January quarters, despite falling interest rates.

This leads us to conclude that cleaning up problem loans is far more crucial for these trusts than falling interest rates. Our February survey of non-earning investments for 131 REITs turns up a chilling 31% increase in such problem assets to \$5.05 billion, or 26% of all assets surveyed. A startling increase of over \$300 million in non-earning investments by Chase Manhattan Trust, the industry's largest, was partly responsible. CMR now has 47% of investments, or \$463 million, in non-accrual. Our tally:

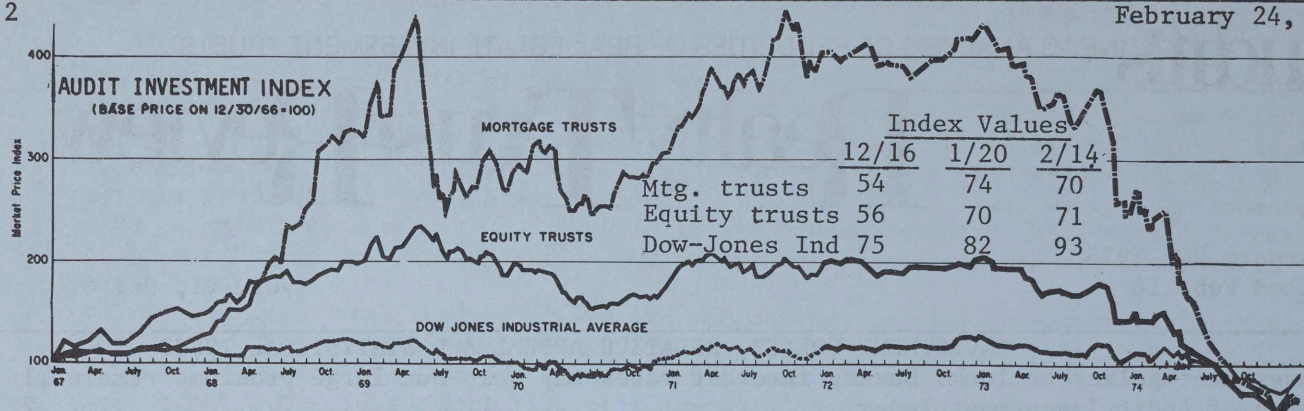
Category	Number	Non-earning	Tot. Inv. Assets	% Non-earning
Short-term mortgage.....	59	\$3,903M	\$11,350M	34%
Long & intermediate mtg....	29	805	4,469	18
Property equity trusts.....	43	343	3,373	10
TOTALS.....	131	\$5,051M	\$19,191M	26%

In our view even a housing starts recovery and sustained cheaper mortgage credit will alleviate only part of REIT problems. While details of those \$5.05 billion problems are murky, our work indicates about half are in two troublesome categories: condominiums, especially for pre-retirement or recreational use, and land development projects, often

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in remote second home resort communities. Curing these problems will take a booming economy and we don't see that for two years at best. The REIT problem at root is that too many short-term construction trusts loaned on too many projects needing a boomy economy, and the 1971-73 boom has dissipated. In this context it's inconceivable to think about projects in these categories appreciating 15% a year, which is required to carry current 12% construction loans and 3% taxes. The REITs have had only modest success with turning off the interest meter, and banks who've loaned to these REITs have shown even less perception of the fact that the underlying real estate won't carry loans at 130% of the prime rate (see Feb. 10 RTR). That's why we continue to believe construction lending REITs and their bank lenders are in deeper trouble than they realize, and why all their brave talk about recovering principal and interest doesn't square with the underlying economics of most of the real estate. And why we expect more Chapter XIs.

Since our last issue bank lenders have reached preliminary agreement with *Builders Investment Group*, a major trust with about \$311 million in bank debt that had been delinquent on cash interest payments to banks. The agreement lets the trust defer all cash interest payments till current agreements expire July 31. Interest remains at basically 130% of prime -- an effective 11.4% now. We expect other similar agreements.

Several subscribers holding bonds or convertibles of REITs have inquired about their status under any possible Chapter XI. Here's what we understand: a) All cash interest payments would stop from date of filing to date of confirmation of a plan of arrangement with creditors. Cash interest payments on these bonds are now being made by banks under revolving credit agreements to forestall legal action by the bond trustees. b) The plan of arrangement might or might not provide payment of this lost interest or additional interest, depending upon negotiations between the debtor (REIT) and the creditors' committee. Several have inquired about the status of "senior" or "senior subordinated" debentures; the word "senior" has been appropriated from an era of more complex capitalizations when senior meant a layer of junior debt to protect such debt. The real question in any Chapter XI is "Senior to what?" and the situation's arithmetic will prevail.

COMPARATIVE TRUST GROUP AVERAGES 02/19/75

GROUP	SHARE N (000)	BOOK VALUE	ANN DIV*	EARN ANN*	LAST PRICE	-% CHNG MON	FROM-- AGO	JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
EQUITY TRUSTS	20	1907	13.08	0.84	1.01	7.88	7.0	30.0	7.8	10.7	-39.8	7.7	357.7
EQUITY AND MORTGAGE COMBIN	20	1620	14.37	0.40	0.50	4.65	-1.2	29.0	9.2	8.5	-67.7	3.5	136.0
SUBORDINATED LAND TRUSTS	3	2689	17.53	0.77	0.92	7.63	11.6	38.7	8.3	10.1	-56.5	5.2	59.9
AVERAGE 3 EQUITY GROUPS	43	1828	13.99	0.63	0.77	6.36	4.4	30.3	8.3	9.9	-54.6	5.5	553.6
SHORT-TERM MTG-INDEPENDENT	6	6044	13.30	0.02	0.00	2.40	-5.0	78.1	0.0	1.0	-82.0	0.0	52.5
SHORT-TERM MTG-MTG BANKER	24	1994	16.73	0.44	0.50	4.29	-6.5	26.5	8.6	10.3	-74.4	3.0	237.4
SHORT-TERM MTG-COMCL BANK	17	2315	19.40	0.19	0.15	3.22	-14.0	29.4	22.1	5.8	-83.4	0.8	134.5
SHORT-TERM-MISC FINCL	12	2848	17.35	0.47	0.47	3.62	-10.1	29.2	7.6	13.1	-79.2	2.7	106.2
AVERAGE 4 SHORT-TERM GROUPS	59	2672	17.28	0.33	0.34	3.65	-9.1	30.3	10.7	9.1	-78.9	2.0	530.6
INTERMEDIATE-TERM MORTGAGES	6	3395	17.37	0.37	0.28	3.98	-10.1	41.5	14.2	9.2	-77.1	1.6	50.9
LONG-TERM MTG & EQUITIES	23	2864	18.22	0.61	0.65	5.64	-3.1	34.6	8.7	10.7	-69.0	3.6	453.1
AVERAGE LONG & INTERMEDIATE	29	2974	18.04	0.56	0.57	5.30	-4.2	35.6	9.3	10.5	-70.6	3.2	504.0
OVERALL AVERAGE	131	2462	16.37	0.48	0.53	4.90	-2.6	31.6	9.2	9.8	-70.0	3.2	1588.2
DOW-JONES INDUSTRIAL AVERAGE						99.73	735.53	+14.6	+19.4	7.4	5.3		

*Latest quarter annualized

RELATIVE APPEAL RANKINGS AND LATEST RESULTS

Relative appeal (RA) rankings, shown in the extreme left column, give Audit Investment Research's current judgment of attractiveness of current share purchases for both capital preservation and income based upon the issue's EPS and dividend outlook in the context of economic, monetary and stock market environment. Average market risk is assumed for all share purchases. Changes in ranking are indicated by ↑ UP ↓ DOWN. Relative appeal rankings mean:

- 1--Highest appeal with lowest market risk, dividend outlook stable to up.
- 2--Above average appeal, somewhat higher market risk, dividends may vary plus-minus 10%-15%.
- 3--Average appeal and market risk, larger dividend fluctuations possible.
- 4--Below average appeal, high market risk, major dividend cuts or omissions possible.
- 5--Not recommended generally, special appeal only; extreme market risk; no quarterly dividend, possible year-end payment.

Other items shown include date of latest basic review in REALTY TRUST REVIEW; Portfolio in millions of dollars; Leverage ratio of all debt to shareholders' equity, the most rigorous measure of risk to shareholders; Latest quarter earnings and dividend results compared to the previous quarter; Non-earning investments as a percentage of both portfolio and shareholders' equity (percentages are rounded down to the nearest whole number); Loan loss reserve provisions (LRP) and other factors affecting earnings.

Share amounts only are shown unless indicated. All data and rankings inspected and revised monthly.

RA-TRUST (Reviewed)	Port-M\$ Lev.	FY	Non-earn. %		Port.	Eq.	Latest quarter results; non-earning investments; dividends and comment
			10%	53%			
4-ALISON MTG (8/12/4)...	\$240...4.2	Oc	40	178	10%	53%	Holds ST & wraps; Oct. FY \$1.61 v. \$3.03; Oct. Q EPS 47¢ def after 96¢ LRP; Div omitted
5-AMER CENT (4/15/4)...	E164...2.9	Je	22	78	10%	53%	Dec. Q: d\$2.41/sh. aft 97¢ LRP v. Sep. Q 35¢ def; Last div 2/74, none seen; Rev. credit nego.
5-AMER FLECH (4/15/4)...	117...2.7	Ja	22	78	10%	53%	Oct. Q: EPS def. 78¢ aft spec. 89¢ LRP, div omitted
5-AMER REALTY (8/12/4)...	54...2.4b	Se	25	103	10%	53%	Port: motels, D.C. area; Sep. Q: def \$1.55 after \$1.29 LRP (\$2.8M); no div; Qualified audit
4-ARLEN PROP (—).....	50...2.7b	Mr	9	35	10%	53%	Port: 77% in 26 SC, 23% mtg.; Dec. Q: EPS up 17% to 14¢; Div even at 25¢
4-ATICO MTG (11/11/4)...	153...2.6	Oc	14	50	10%	53%	Oct. Q: def 22¢, Div off 57% to 15¢, Div. now annual, FY \$1.12 & \$2.08; Heavy Fla. condo
5-ATLANTA NAT (4/15/4)...	40...0.9	Au	61	115	10%	53%	Nov. Q: EPS def \$1.32 after 99¢ LRP; Discussing merger with sponsor, Charter Med.
3-BAIRD & WAR (12/9/4)...	58...2.0	Jl	9	26	10%	53%	Oct. Q: EPS up 136% to 26¢, July Q after FY-end 40¢ LRP; Jan div off 52% to 12¢
4-BANKAMER RLT (7/15/4)...	271...2.9	Jl	14	57	10%	53%	Oct. Q: EPS off 83% to 7¢; Investments on cash-only basis 7.5%; Div off 71% to 10¢
4-BARNES MTG (12/9/4)...	100...2.2	Se	30	84	10%	53%	Dec. Q: EPS off 90% to 1¢ after LRP 26¢, div down 50% to 5¢
5-BARNETT MTG (10/14/4)...	287...10.2	Mr	59	677	10%	53%	Dec. Q: EPS d\$3.53 aft \$1.52 (\$3.3M) LRP; No div soon; considering leaving REIT status
5-BARNETT-WIN (8/12/4)...	101...2.2	Se	64	220	10%	53%	Dec. Q: EPS 20¢ def v. 4¢; Div omitted, none during 75 FY
4-BENEF STD (12/9/4)...	101...2.9	Jl	22	77	10%	53%	Oct. Q EPS 36¢, up 9% from revised 33¢ in July Q; Div 18¢
4-BERG ENT RG(12/10/3)...	24...1.2	Nv	19	35	10%	53%	Aug. Q: EPS level at 15¢; LRP normal; Div. unch. at 10¢ (5¢ being retained)
4-BT MTG IN (3/11/4)...	164...5.3	Se	17	107	10%	53%	Dec. Q: EPS 5¢ v. 90¢; Div 20¢ vs. 35¢
5-BUILDERS IN (6/10/4)...	E482...5.4	Se	45	330	10%	53%	Sep Q d\$13.37 after \$13.04 (\$38.2M) LRP; FY d\$10.71; Div yearly; Forming mgmt. co. for defaults
5-CABOT C&F LD (9/9/4)...	211...2.7	My	27	100	10%	53%	Port: 51% land/lease; Nov. Q: EPS loss 8¢ after 10¢ LRP and 13¢ legal, div. omitted
5-CAMERON-BR(10/14/4)...	151...2.9	De	53	188	10%	53%	Sept. Q EPS def 54¢ v 5¢ gain; No LRP; Last div May '74 & none expected soon
5-CAPITAL MI(6/10/4)...	164...4.5	De	29	158	10%	53%	Dec. Q: EPS d\$3.75 aft 32¢ acctg. adj. and \$2.99 (\$5M) LRP; Div omitted Dec. FY EPS def \$5.03 v. \$2.79
3-CENTRAL MTG (12/9/4)...	39...2.2	Mr	26	72	10%	53%	Dec. Q: EPS down 57% to 19¢ v. 45¢; Div off 70% to 12¢
5-CHASE MAN TR(10/14/4)...	986...7.1	My	47	388	10%	53%	Nov. Q: EPS def \$0.85 v. def \$0.03; No div till May '75; Spec. div 83¢; Comm. paper sales halted
5-CI MTG GR(6/10/4)...	365...3.1	Oc	65	316	10%	53%	Jan. Q: EPS d\$2.93 after \$1.66/sh (\$8M) LRP; Div. omitted; rev. credit nego.
5-CI REALTY (2/11/4)...	181...2.5b	Fb	4	14	10%	53%	VOTING TO LEAVE REIT STATUS; Possible tender offer; Nov Q: 3¢ loss CFS v. 8¢; Div deferred
5-CITTINATL DEV(—).....	E19...1.1	Mr	69	116	10%	53%	Dec. Q: EPS def 36¢ v. 9¢ earn; Div halted as second half seen unprofitable
4-CITIZNS & SO (10/14/4)...	463...5.7	Se	22	148	10%	53%	Dec. Q: EPS 31¢ loss; Div 15¢ from tax income, 72¢ cleanup possible; \$399M revolv. credit 12/30
5-CITIZNS GROW(8/12/4)...	48...2.0b	Ja	13	39	10%	53%	Oct. Q: EPS def 68¢ v. 13¢ def.; LRP 55¢; Div halted under new loan terms; Four motels sold
5-CITIZNS MIT(11/12/3)...	124...5.8	De	50	323	10%	53%	Sept Q: EPS def 40¢ after 21¢ LRP v. 19¢ earn.; Div deferred; Substantial loss exp. Dec. Q
5-CLEVETRUST(8/12/4)...	129...2.4	Se	27	90	10%	53%	Dec. Q EPS loss 28¢; Div. omitted & pending revolv. credit to limit div
5-COLWELL MT(11/12/3)...	179...3.8	De	26	121	10%	53%	Sept Q: EPS d\$1.98 aft \$1.86 LRP; Div omitted; negot. revolving credit
5-COMMWLTH NAT (—).....	22...1.0	Nv	65	132	10%	53%	Aug. Q: Loss 48¢/sh after LRP & Commonwealth Corp. loan loss; Div omitted & not exp. soon
2-CONN GEN (5/13/4)...	413...2.8	Mr	3	11	10%	53%	Dec. Q: EPS 35¢, unch., CFS 40¢ v. 41¢; Dec. Div 40¢, down 11%; sold \$58M comcl paper
3-CONT ILL PR (2/10/5)...	175...0.6b	Oc	0	0	10%	53%	Port: 5800 apt., 4 SC; Oct. Q: EPS loss \$2.10 after \$2.29 LRP; Apt. rentals up; Div 32¢, off 42%
5-CONT ILL RL(11/11/4)...	290...5.3	Mr	16	101	10%	53%	Dec. Q EPS def \$5.42 v. \$1.69 def; Div omitted; \$200M revolv. loan sought
5-CONTNLT MI(11/11/4)...	822...5.8	Mr	24	169	10%	53%	Dec. Q: EPS def 14¢; Div uncertain after 15¢ spec.; \$536M revolving credit near
5-COUSINS M&E(5/13/4)...	328...3.5	Au	35	152	10%	53%	VOTED TO LEAVE REIT STATUS; Nov. Q: EPS 72¢ loss after 68¢ LRP; Div omitted & not exp. soon
3-DENVER REI(1/13/5)...	37...2.8b	De	0	0	10%	53%	Sept 9 Mo: EPS 55¢ v. 34¢, up 62%; 15¢ Q div continued plus 10¢ yr-end; new management
5-DIVERSIFD(8/12/4)...	385...2.2	De	28	93	10%	53%	Sept Q: d\$4.28 EPS after \$33.6M LRP; Div suspended & new funds sought
5-DOMINION M&R(—).....	35...4.4	My	58	303	10%	53%	VOTING TO LEAVE REIT STATUS; Nov. Q: EPS d\$2.02 aft \$1.56 LRP; No Q div; Neg. rev. Cr.
2-EQUIT LF MI(5/13/4)...	338...1.5	Oc	1	2	10%	53%	Jan. Q: EPS 44¢ up 5%; Jan. Div flat 40¢ plus 9¢ yr-end; Strong life co. mgmt.
5-FEDERAL RLT(1/13/5)...	27...3.0b	De	0	0	10%	53%	Port: 1160 apts., 7 SC D.C. area; Sep. Q: EPS 23¢ down 15% after prop. sale, Div. 25¢ up 4%
4-FIDELCO GRO(5/13/4)...	123...2.2	Nv	16	43	10%	53%	Nov. Q: EPS loss 35¢ after 63¢ (\$1M) LRP; no div.
5-FIDELITY MI(—).....	237...5.3	Oc	63	431	10%	53%	VOTED TO LEAVE REIT STATUS; July Q: EPS loss \$2.98/sh; No div
3-FIRST COMMRC(12/9/4)...	56...1.8	De	19	46	10%	53%	Dec. Q: 32¢ EPS off 43%; 30¢ div off 50%; Dec. FY EPS \$2.19
3-FIRST CONTL(3/11/4)...	47...1.4	Fb	5	10	10%	53%	Nov. Q: EPS off 3% to 35¢; LRP normal; Div 35¢ unch.
5-FIRST FIDEL(—).....	27...1.7b	Nv	5	14	10%	53%	May 6 Mo: EPS 2¢ loss v. 14¢ earn yr-ago; CFS 20¢ v. 39¢, incl. jt. venture loss; div omitted
4-FIRST MEMP(9/9/4)...	71...2.6	Nv	0	0	10%	53%	Aug. Q: EPS down 66% by negative spread; Nov. div. 10¢ down 17%
5-FIRST MTG(6/10/4)...	643...5.3	Ja	58	386	10%	53%	Oct. Q: Loss \$1.39; Div omitted & not exp., renegot. defaulted credit agree
5-FIRST DENY(10/14/4)...	133...3.6	Se	22	109	10%	53%	Sept. FY: EPS 57¢ v. \$2.30; Dec. Q: Loss 10¢; Annual div
5-FIRST PENN(10/14/4)...	173...2.0	Jl	31	92	10%	53%	Oct. Q: EPS 24¢, up from deficit with LRP; div deferred for annual payout; Revolving credit
2-FIRST UNION(7/15/4)...	149...3.7b	Oc	0	0	10%	53%	Port: Major OB, SC; Oct. Q: EPS 18¢, up 20%; 24¢ Q div unch.
5-FIRST VIR MT(8/12/4)...	103...3.3	Je	35	139	10%	53%	VOTING TO LEAVE REIT STATUS; Dec. Q: def \$2.66 after \$2.17 LRP v. 8¢ def.; Ann. div possible
5-FIRST WISC MT(—).....	E201...4.9	De	48	252	10%	53%	Unaudited Dec FY \$7.03 def v. \$4.39 def; Dec Q \$5.74 def; sh. trading resume OTC; Loan terms violated
4-FLATLEY RLT(4/15/4)...	25...2.0	Je	19	53	10%	53%	Port: 52% prop, 48% ST; Dec. Q: EPS def 1.5¢ after 10¢ LRP; Div deferred
2-FLORIDA GULF (1/13/5)...	34...1.0b	Ap	0	0	10%	53%	Prop: 13 SC Fla.; Oct. Q: EPS 11¢ & CFS 32¢, down 21% & 11%; Div 32¢, unch.
5-FRANKLIN RLT(7/15/4)...	45...4.3	Je	0	0	10%	53%	71% prop, 29% mtg.; Dec. Q: EPS loss 33¢ vs. 19¢ due high int., high vacancy rate
3-FRASER MTG(5/14/4)...	45...1.7	My	3	8	10%	53%	Nov. Q: EPS off 21% to 30¢; Div 30¢, off 21%
2-GENERAL GRO(2/11/4)...	182...5.1	Se	0	0	10%	53%	Develops prop., has 16 SC, 5690 apts; Dec. Q EPS 24¢, down 4%; Dec div 29¢, up 4%, div A70% tax-free
4-GIT REALTY(—).....	27...2.7b	Mr	11	29	10%	53%	Port: 21% SC, 79% mtg.; Sep. Q EPS 22¢, down 27%; Dec. div 22¢, flat; five NYC apts. in foreclosure
3-GOULD INV(3/11/4)...	39...3.1b	Se	7	33	10%	53%	Port: 23% mtg., 77% prop (apts., SC); Dec. Q. NCF 16¢, unch. + 9¢ CG; Mar. '75 div flat at 17¢
4-GREIT RLT(2/11/4)...	60...3.5b	Oc	21	100	10%	53%	Port: 91% prop; July 9 Mo: CFS 43¢ off 64% incl. 11¢ 2nd mtg. loss; Div 10¢ off 50%; \$2M loss in FY exp.
5-GRT AMER MT(3/11/4)...	466...7.4	Jl	48	388	10%	53%	Oct. Q: d88¢ v. def \$2.22 after \$11M LRP; Div omitted; Meeting with lenders
5-GUARDIAN MI(12/9/4)...	E469...4.7	Fb	38	232	10%	53%	Nov. Q def \$2.76 after \$1.87 (\$5.6M) LRP; Div postponed aft 25¢ yr-end; \$355M revolving loan
5-GULF M&R(5/13/4)...	147...3.2	Fb	20	81	10%	53%	Nov. Q: EPS loss \$1.48 after \$1.65 (\$3.65M) LRP; NE increasing
5-GULF SO MTG(—).....	66...3.5	De	70	298	10%	53%	Prelim. Dec.73 report d\$1.72/sh.; 9 Mo. to Sept. d83¢ after 57¢ LRP; No sh trades since Mar.
5-HAMILTON INV(11/12/3)...	119...2.3	De	35	117	10%	53%	Sept. Q: EPS def \$1.04, v. 25¢ earn.; New loan terms permit yr-end div only

RA-TRUST (Reviewed)		Port-M\$ Lev.	FY	Port.	Eq.	Non-earn. %	Latest quarter results; non-earning investments; dividends and comment	
4-HANOVER SQ RL(4/15/4)	59...	2.5	Au	23	77		Nov.Q EPS 27¢ down 4%, after 11¢ LRP; Div 30¢ off 42%	
3-HEITMAN MTG(11/11/4)	195...	5.1	De	7	39		Sept.Q EPS 20¢, off 51¢ due hi int. & low fees; Div 15¢ off 63%	
5-HNC MTG&RL(4/15/4)	129...	2.0	Oc	50	141		Oct.Q: Loss 49¢ after 42¢ LRP (\$1M) v. 10¢; no div; Revolving credit for \$89M	
4-HOSPITAL MT(9/9/4)	39...	0.4	Fb	7	11		Nov. Q: 25¢ EPS off 14%, NE incl. 9½% with affiliate interest; Div 15¢, off 25%	
4-HOTEL INV (9/9/4)	89...	2.0	Au	4	11		Nov. Q: 35¢ EPS, up 75%; 52¢ div unch., paid out of cash flow	
2-HUBBARD REI(1/13/5)	93...	0.0	Oc	0	0		Port: 88% net leased prop.; Jan.Q: 44¢ EPS up 7%, Oct. FY \$1.60 v. \$1.55; Oct 40¢ Q div unch.	
3-ICM RLTY(9/9/4)	91...	0.3	Nv	13	21		Aug. Q: EPS 48¢ incl. 11¢ CG, up 9%; Nov. div 32¢ aft 9¢ ext. chg., off 20%	
3-IDS REALTY(6/10/4)	344...	6.3	Ja	6	41		Jan FY \$2.99 v. \$2.64; Jan Q: EPS 63¢ down 20%; 84¢ posted Q div held Oct; new debent. offer withdrawn	
5-INDEPEND MT(—)	162...	3.1	Je	59	271		June FY def \$7.56 after \$7.62 (\$18.7M) LRP; No div seen; Sept. Q d77¢	
4-INDIANA MGR(7/15/4)	88...	3.3	Je	3	13		June FY \$1.41 v. \$1.49; Dec. Q nil EPS v. 18¢; Annual div	
5-INSTI INV(11/11/4)	189...	1.3	Ja	23	55		Oct.Q: 1¢ EPS, down 88% after spec LRP 10¢ (\$606T); Div omitted till '75 FY	
3-INVEST RL(7/15/4)	61...	2.4b	Nv	0	0		Port: 76% prop; Aug Q: 12¢ EPS, up 33%; Feb Div deferred	
3-JMB RLTY(7/15/4)	23...	1.4b	Au	0	0		Port: 77% wraps; Aug. FY \$1.91 v. \$1.75; Nov. Q EPS 43¢, off 7%; Nov. div 42¢ off 5%	
5-JUSTICE MT(4/15/4)	85...	3.1	Se	E9	36		Dec.Q: EPS def 70¢ v. 27¢ def; Div omitted; Revolving credit nego.	
5-KMC MTC (5/14/3)	33...	1.5	Nv	26	58		Aug. Q EPS 12¢ unch; May Q due spec. 17¢ LRP; Aug. Q div deferred	
5-LMI INV (11/12/3)	180...	4.6	Je	30	155		Sep. Q: d46¢ v. def 9¢ aft LRP 11¢; Div omitted, not exp. for year	
4-LARWIN RLTY(9/9/4)	96...	0.4	Nv	8	10		Port. 27% GNMA secur.; Aug.Q : EPS & div 23¢, down 23¢ due high int.	
5-LINCOLN MT(12/10/3)	44...	5.4	Mr	43	259		June Q: EPS def 21¢, due hi int.; LRP 57¢ (\$878T) in Mar. Q; Div omitted	
2-LOMAS &NET(11/11/4)	335...	2.3	Je	9	24		Dec. Q EPS & div 74¢, off 8%	
3-M&T MTG(12/9/4)	400...	1.6	Au	0	0		Loans: Texas 1-fam.; Nov. Q: EPS 30¢, up 30%; 26¢ div. unch.	
2-MASSMUTUAL(5/13/4)	268...	2.1	Oc	6	19		Loans: 67% LT, 39% SC; Oct. Q EPS & div 30¢, off 25% and 17%	
5-MIDLAND MG(11/11/4)	121...	3.4	Je	29	124		Loans: 44% Apts; Dec. Q EPS off 75% to 3¢, div deferred till loan agreement	
3-MILLER HEN(7/15/4)	30...	2.1b	Fb	0	0		Prop: mostly Texas, 70% SC; Nov Q EPS & div 25¢, off 24% & 17%	
5-MISSION INV(11/12/3)	64...	2.3	Nv	61	196		VOTING TO END REIT STATUS; Nov Q loss \$2.23 aft \$1.68 LRP, FY loss \$4.31 aft \$3.66 LRP; Div halted	
2-MONY MTG(5/13/4)	251...	2.0	My	5	13		Loans: 42% LT; Nov Q EPS level at 17¢, Feb div unch. at 17¢	
3-MORTGAGE GRO(9/9/4)	49...	0.5	Nv	3	5		Loans: 49% Apts, 40% LT; Aug Q EPS off 12% to 22¢, Dec. div off 18% to 18¢	
4-MTG INV WASH.(6/10/4)	112...	3.1	Mr	25	93		Mtg.: 59% D.C. area; Dec. Q: 50¢ def. after 47¢ (\$1M) LRP; Div omitted & annual; rev. cr. nego.	
5-MTG TR AMER(6/10/4)	E164...	1.5	Nv	27	62		Mtg.: 35% Calif; Nov. Q: def 35¢ after LRP 26¢; Div halted	
5-NATIONAL MTG(5/14/3)	87...	3.0	Fb	41	167		Nov. Q: def \$1.25; Yr-only div	
4-NATIONWIDE(12/9/4)	50...	1.1	Mr	19	36		Dec. Q EPS off 12% to 15¢, div even at 10¢; Franchise motel in foreclosure	
2-NEW PLAN RL(2/10/5)	19...	3.8b	J1	0	0		Port: 83% prop., 50% SC; family owns 33%; Oct.Q: NCF 54¢, up 17%; Monthly div @14¢	
5-NJB PRIME(12/10/3)	103...	4.1	Nv	43	188		Aug Q EPS loss 21¢, div omitted two qtrs.; Takeover attempt ended	
2-NORTH AMER(11/11/4)	217...	2.8	De	7	23		Sep. Q off 18% to 42¢, Dec div off 11% to 40¢. NE excludes cash-only 2.8%	
5-NOWSTRN FIN(12/10/3)	47...	0.8	De	23	40		Sep. Q EPS off 9% to 31¢, Div omitted till Apr tax filing	
2-NOWSTRN MT LF(5/13/4)	243...	1.7	Mr	5	12		LT loans 50%; Dec. Q EPS and div off 16% and 18% to 31¢; \$10M notes sold	
5-OLD STONE(6/11/3)	40...	3.4	De	14	58		Dec. FY EPS 11¢ v. 94¢; Dec. Q def 46¢ after 36¢ LRP; Div halted till June 75	
5-PACIFIC STHN(—)	10...	0.0	Mr	34	31		Dec.Q: EPS up 300% to 16¢, div up 100% to 10%; IRS tax status OK; FY loss seen due to LRP	
5-PEASE & ELL(8/12/4)	39...	0.8	De	28	68		Prop. 53%, 80% land lease; Sep. Q EPS def. \$3.74 aft \$3.86 LRP; Div deferred	
3-PENN REIT(1/13/5)	70...	3.2b	Au	8	33		Prop. 38% Apts, 36% SC; Nov Q EPS 28¢ & CFS 33¢; Semi-an div unch.	
4-PNB MTG.(9/9/4)	148...	2.3	Se	12	38		Port: 30% LT, 14% Prop; Dec. Q EPS 10¢ aft 4¢ LRP, up 25%; Div 10¢, off 33%	
3-PROPERTY CAP(2/10/5)	71...	1.7	J1	3	8		61% prop, lease 32% OB, 44% Apts; Jan. Q EPS up 12% to 29¢; Oct div off 16% to 26¢	
3-RAM PACIF(9/9/4)	75...	1.1	Nv	0	0		Heavy Cal & Hawaii, 41% Apts; Nov Q EPS up 3% to 32¢ & div flat at 30¢	
2-REIT AMER(1/13/5)	40...	0.2b	Nv	a	a		Port: hvy Cal. & Mass.; 31% SC, 31% SC; Nov FY \$1.41 v. \$1.37 bef 11¢ CG; 35¢ div steady over yrs.	
3-REALTY INC(3/11/4)	80...	3.1	Ap	13	55		Prop: 39%; port: 29% OB, 27% Apts; Oct. Q EPS off 30% to 16¢, Jan div up 14% to 16¢	
3-REALTY REF(3/11/4)	48...	1.5	Ja	0	0		Loans: 80% wraps, 43% Apts, 21% OB; Jan FY \$1.91 v. \$2.30; Jan Q EPS & div up 5% to 42¢	
5-REPUBLIC MI(6/10/4)	81...	1.3	De	35	80		Sept.Q EPS def \$1.14 v. 16¢ earn.; div omitted under credit agree	
2-RIVIERE RL(1/13/5)	15...	2.1b	De	0	0		Mixed prop, 6 states & D.C., hvy in Indianapolis; June 6 Mo. CFS up to 55¢, Dec div 25¢ unch.	
4-SAUL BF(7/15/4)	312...	3.5	Se	11	45		Prop: 29%; Dec. Q def 22¢ v. 12¢ EPS; Div omitted; No earnings next several qtrs.	
5-SECURITY MT(8/13/3)	E205...	2.8	Se	35	119		VOTING TO END REIT STATUS; Dec.Q EPS 18¢ def; No div; Servicer of \$43M bankrupt	
5-STATE MUT(5/13/4)	148...	1.9	Mr	34	105		Loans: 31% LT; Dec. Q EPS def \$2.02 after \$2.47 (\$6.9M) LRP; halt div thru Mar. 75	
3-SUMMIT PRP(4/15/4)	61...	2.8b	Oc	1	5		Prop: 46% SC; Jul Q CFS down 25% to 21¢, Jan div down 82% to 5¢	
5-SUTRO MTG(4/15/4)	113...	2.1	Mr	25	78		Loans: 53% Cal.; Dec. Q EPS def 8¢ after 13¢ LRP v. 31¢, div omitted till after Mar. '75	
4-TMC MTG IN (12/9/4)	86...	4.8	Mr	5	30		Loans: Hsg. PR & Fla; Dec. Q EPS down 94% to 3¢ by reduced rates; Div omitted till aft Mar.'75	
5-TEX FIRST MI(11/12/3)	61...	2.5	Je	44	136		VOTING TO LEAVE TRUST STATUS; Dec. Q EPS def \$3.05 aft \$2.84 LRP	
5-TRI-SOUTH(10/14/4)	E191...	4.1	De	26	132		Sept Q EPS off 90% to 5¢, div halted till after 12/74; LRP 22¢	
5-UMET TRUST(11/12/3)	144...	2.7	Nv	36	151		Nov FY EPS d\$1.69 v. \$2.35; Nov. Q: EPS def \$2.35 after \$2.06 (\$4.4M) LRP; Div omitted	
4-US BANCORP(7/15/4)	78...	3.5	My	8	32		Nov.Q: EPS 8¢, off 38%; CFS 22¢ off 19%, Nov div 25¢ unch.	
4-US LSG REI(2/11/4)	77...	1.7	De	18	46		Dec FY \$0.66 v. \$1.36; Dec Q EPS 64¢ def v. 30¢; Div omitted	
4-US REALTY(2/10/5)	131...	4.4	De	4	21		Sept Q: 8¢ EPS up 12%, hurt by high int.; CFS 19¢; Div 20¢, unch.	
5-VIRGINIA RE(8/12/4)	47...	2.3b	De	17	55		Sept.Q: Loss 24¢ after 16¢ spec LRP; Div omitted	
4-WACHOVIA RL(10/14/4)	175...	2.2	Au	18	72		Aug.FY: \$1.27 v. \$2.37; Nov. Q: 1¢ after 24¢ LRP v def 24¢; Div halted till May	
4-WALTER JIM(3/11/4)	53...	2.1	J1	15	43		Port: 69% mtg., 31% prop; July FY \$1.31 v. \$1.11; Oct. Q EPS 22¢ v 6¢, Div 25¢, unch.	
2-WASH REIT(1/13/5)	29...	1.0b	De	0	0		Prop: Mainly apts. D.C. area; Sep. Q: EPS 31¢, up 3%, Div. 32¢ up 7%; Sep. CFS 36¢	
4-WELLS FAR MI(4/15/4)	256...	2.9	Je	18	69		Dec.Q EPS def 29¢ v. 21¢ def.; Div 10¢, unch	
5-WESTERN MI(6/11/3)	28...	2.5	Fb	28	109		Nov.Q EPS 39¢ def after 28¢ LRP; Div omitted	
4-WISC REI FD(1/13/5)	47...	3.1b	De	4	17		Sep. Q CFS def 5¢ before 6¢ CG; Dec. div 4¢, unch.	

FOOTNOTES AND ABBREVIATIONS

Portfolio stated in millions of dollars. Property and loan types: OB--office buildings; SC--shopping centers and retail; Apts.--apartments; Ind.--industrial; Condos--condominiums; RC--recreational communities; Wraps--wrap-around mortgages; Land/Leases--land purchase/leasebacks; ST--short-term mortgages, mostly interim construction and development loans; IT--intermediate term (3-10 years) mtgs; LT--long-term mortgages. Leverage ratio is ratio of all debt including convertibles to shareholders' equity.

Quarter results: Non-earn %: Percentage of invested assets in acquired property, income not being recognized, or property on cash basis or with significantly reduced income. Amount shown as a percentage of both portfolio and shareholders' equity. LRP--Loss reserve provision, normal indicating no special provisions in period. EPS--Earnings per share. CFS--Net cash flow (income plus depreciation less mtg. amortization) per share, as computed by Audit Investment Research, Inc. All percentage changes are from the previous quarter unless noted.

Abbreviations: d or def--Deficit. E--Estimate. A--Approximate. T--Thousands. M--Millions. NR--Not reported. NA--Not available. NM--No market in stock, or trading suspended. CG--Capital gains net of taxes. exp.--Expected. incr.--Increased. unch.--Unchanged. int.--Interest. partic.--Participations. spec.--Special.

Footnotes: a--Less than 1%. b--Leverage primarily from mortgage loans secured by properties owned; all other unsecured bank loans.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	EARNINGS MON ANN*	LAST PRICE	% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
EQUITY TRUSTS													
ARLEN PROP #	O-ARLNS	1012	12.96	1.00←	SEP 1.08	5.00X	23.5	66.7	4.6	20.0	-61.4	8.3	5.1
C I REALTY #	N-CIX	2609	20.50	0.00	NOV 0.00	3.75	7.1	57.6	0.0	0.0	-81.7	0.0	9.8
CITIZENS GR#	O-CITGS	811	16.68	0.00	OCT 0.00	2.25	50.0	200.0	0.0	0.0	-86.5	0.0	1.8
CON ILL PRO#	N-CIE	4808	23.26	1.28	OCT 0.00	9.00	16.1	41.1	0.0	14.2	-61.3	0.0	43.3
DENVER REI *	O-DENVS	1091	9.06	0.70	SEP 1.43	7.00	14.2	21.7	4.9	10.0	-22.7	15.8	7.6
FEDERAL RL #	O-FDRLS	745	8.89	1.00	SEP 2.00	9.00	16.1	28.6	4.5	11.1	1.2	22.5	6.7
FIRST UNION#	N-FUR	3939	9.84	0.96	OCT 1.20	9.13	4.3	40.5	7.6	10.5	-7.2	12.2	36.0
FLORIDA GLF#	O-FGLFS	975	17.35	1.28	OCT 1.28	11.25	25.0	66.7	8.8	11.4	-35.2	7.4	11.0
FST FIDELTY#	O-FFITS	866	11.70	0.00	MAY 0.40	1.38	22.1	38.0	3.4	0.0	-88.2	3.4	1.2
GENERAL GRO#	N-GGP	5674	6.56	1.16	DEC 1.18↓	16.13	19.5	25.2	13.7	7.2	145.9	18.0	91.5
GIT REALTY#	A-GIM	1095	9.26	0.88	SEP 0.88	4.38X	2.2	105.6	5.0	20.1	-52.7	9.5	4.8
GOULD INVST#	A-GTR	1179	7.26	0.68	DEC 0.73←	4.50	-5.3	33.1	6.2	15.1	-38.0	10.1	5.3
GREIT RLY#	A-GRT	998	13.04	0.40	JUL 0.57	4.88	8.4	44.4	8.6	8.2	-62.6	4.4	4.9
HUBBARD REI	N-HRE	4004	23.43	1.60	JAN 1.76↑	13.00	2.9	35.0	7.4	12.3	-44.5	7.5	52.1
NEW PLAN RL#	O-NPLNS	664	11.52	1.68	OCT 2.16	12.50X	5.3	6.4	5.8	13.4	8.5	18.7	8.3
PENN REIT #	A-PEI	1515	11.57	1.15	NOV 1.32↑	8.50X	-3.3	15.2	6.4	13.5	-26.5	11.4	12.9
REIT OF AMER	A-REI	1633	21.22	1.40	NOV 1.44	16.00	7.5	23.1	11.1	8.7	-24.6	6.8	26.1
SUMMIT PROP#	O-SMMTS	1547	9.53	0.20↓	JUL 0.84	3.25	-45.8	-31.6	3.9	6.2	-65.9	8.8	5.0
WASH REIT #	A-WRE	1456	10.46	1.28	SEP 1.44	13.25	-1.9	12.8	9.2	9.7	26.7	13.8	19.3
WISC REI FD*	O-WREIS	1514	7.44	0.16	SEP 0.44	3.38	17.4	107.4	7.7	4.7	-54.6	5.9	5.1

GROUP AVERAGE 1907 13.08 0.84 1.01 7.88 7.0 30.0 7.8 10.7 -39.8 7.7 357.7

EQUITY AND MORTGAGE COMBINATION TRUSTS

AMER REALTY# A-ARB	2168	7.66	0.00	SEP	0.00	2.13	54.3	54.3	0.0	0.0	-72.2	0.0	4.6
BANKAM RLTY O-BRLTS	3547	19.26	0.40	OCT	0.28	7.13	-8.0	35.8	25.5	5.6	-63.0	1.5	25.3
BERG ENT RG A-BRT	1400	9.09	0.40	AUG	0.00	1.88	-6.0	88.0	3.1	21.3	-79.3	6.6	2.6
FLATLEY RLTY O-FLTLS	1000	9.00	0.00	DEC	0.00	2.75	57.1	57.1	0.0	0.0	-69.4	0.0	2.8
FRANKLIN RLY A-FR	999	9.53	0.00	DEC	0.00	2.63	7.8	23.5	0.0	0.0	-72.4	0.0	2.6
INDIANA M&R# O-INDMS	1154	18.24	0.00	SEP	0.72	3.88	-32.5	10.9	5.4	0.0	-78.7	3.9	4.5
INVESTOR RL# A-IRT	1579	11.84	0.00	AUG	1.00	4.25	-19.0	6.3	4.3	0.0	-64.1	8.4	6.7
JMB REALTY# O-JMBRS	510	18.21	1.68	NOV	1.96	11.50	35.3	45.9	5.9	14.6	-36.8	10.8	5.9
LINCOLN MTG# O-LNMGs	1155	8.32	0.00	SEP	0.00	0.88	17.3	76.0	0.0	0.0	-89.4	0.0	1.0
MILLER HEN S O-HSMTS	560	18.27	1.00	NOV	0.99	9.00	5.9	20.0	9.1	11.1	-50.7	5.4	5.0
NJB PRIME A-NJB	1280	18.26	0.00	AUG	0.00	1.38	0.0	10.4	0.0	0.0	-92.4	0.0	1.8
PEASE ELLIMN A-PNE	1114	18.23	0.00	SEP	0.00	2.38	-9.5	72.5	0.0	0.0	-86.9	0.0	2.7
RIVIERE RLY# O-RIV16	783	9.06	1.00	SEP	1.08	8.75	6.1	6.1	8.1	11.4	-3.4	11.9	6.9
RLTY INCOME A-RIT	1563	14.27	0.64	OCT	0.64	5.00	11.1	59.7	7.8	12.8	-65.0	4.5	7.8
SAUL (BF)REI N-BFS	5658	14.99	0.00	DEC	0.00	3.25	-16.2	-3.8	0.0	0.0	-78.3	0.0	18.4
US BANCORP # A-UBT	840	23.00	1.00	NOV	0.88	8.13	-3.0	38.3	9.2	12.3	-64.7	3.8	6.8
US LSG REI # A-USE	1348	21.97	0.00	DEC	0.00	5.00	-31.0	-13.0	0.0	0.0	-77.2	0.0	6.7
US REALTY # N-UTY	3434	9.10	0.80	SEP	0.78	4.00	-15.8	52.1	5.1	20.0	-56.0	8.6	13.7
VIRGINIA RE# O-VARES	1276	11.19	0.00	SEP	0.00	3.50	16.7	75.0	0.0	0.0	-68.7	0.0	4.5
WALTER JIM # O-WALJS	1035	17.93	1.00	OCT	1.12	5.50	-8.3	57.1	4.9	18.2	-69.3	6.2	5.7

GROUP AVERAGE 1620 14.37 0.40 0.50 4.65 -1.2 29.0 9.2 8.5 -67.7 3.5 136.0

SUBORDINATED LAND TRUSTS

CABOT LAND N-CFT	2992	19.23	0.00	NOV	0.00	4.50	0.0	28.6	0.0	0.0	-76.6	0.0	13.5
ICM REALTY A-ICM	3011	19.73	1.28	AUG	1.59	9.00	4.3	20.0	5.7	14.2	-54.4	8.1	27.1
PROPERTY CAP A-PCL	2065	13.64	1.04	JAN	1.16	9.38	27.1	70.5	8.1	11.1	-31.2	8.5	19.4

GROUP AVERAGE 2689 17.53 0.77 0.92 7.63 11.6 38.7 8.3 10.1 -56.5 5.2 59.9

SHORT-TERM MTG-MTG BANKER

ATICO MTG IN N-ACO	2706	17.60	0.60	OCT	0.00	4.50	-14.3	100.0	0.0	13.3	-74.4	0.0	12.2
BAIRD & WARNR O-BAIDS	1043	19.31	0.48	OCT	1.04	5.25X	-14.1	16.7	5.0	9.1	-72.8	5.4	5.5
BARNES MTG O-BARNs	1910	18.41	0.20	DEC	0.04	2.50	-28.6	11.1	62.5	8.0	-86.4	0.2	4.8
CENTRAL MTG O-CMRTS	775	18.28	0.48	DEC	0.76	5.00X	-43.1	-31.0	6.6	9.6	-72.6	4.2	3.9
COLWELL MTG N-CLM	2030	19.36	0.00	SEP	0.00	3.13	-13.8	66.5	0.0	0.0	-83.8	0.0	6.4
FIRST CONTNL O-FCKES	2106	10.44	1.40	NOV	1.40	7.50	3.4	22.3	5.4	18.7	-28.2	13.4	15.8
FRASER MTG I O-FRASS	1038	16.78	1.20	NOV	1.20	9.25	32.1	68.2	7.7	13.0	-44.9	7.2	9.6
GUARDIAN MI N-GMI	3000	28.43	0.00	NOV	0.00	3.13	-7.4	31.5	0.0	0.0	-89.0	0.0	9.4
GULF SO MTG A-GSR	1161	13.55	0.00	SEP	0.00	0.00	0.0	0.0	0.0	0.0	-100.0	0.0	0.0
HAMILTON INV O-HAMTS	2095	17.16	0.00	SEP	0.00	2.00	-20.0	60.0	0.0	0.0	-88.3	0.0	4.2
HEITMAN MTG A-HTM	3292	11.77	0.60	SEP	0.80	3.00	-7.7	40.8	3.8	20.0	-74.5	6.8	9.9
JUSTICE MTG N-JMI	1184	18.38	0.00	DEC	0.00	3.38	-22.8	-3.4	0.0	0.0	-81.6	0.0	4.0
KMC MTG IN O-KMTGS	1100	13.68	0.00	AUG	0.48	1.50	0.0	200.0	3.1	0.0	-89.0	3.5	1.6
LMI INVSTORS N-LWN	2009	17.68	0.00	SEP	0.00	1.63	-18.5	30.4	0.0	0.0	-90.8	0.0	3.3
LOMAS & NTLN N-LOM	3700	33.01	2.96	DEC	2.96	17.00X	2.1	11.5	5.7	17.4	-48.5	9.0	62.9
M&T MTG INV O-MTMIS	1482	10.27	1.04	NOV	1.20	6.50	18.2	44.4	5.4	16.0	-36.7	11.7	9.6
MIDLAND MTG N-MMT	2382	12.47	0.00	DEC	0.12	2.63	10.5	16.9	21.9	0.0	-78.9	1.0	6.3
MISSION INV A-PMI	1812	10.62	0.00	NOV	0.00	1.13	0.0	101.8	0.0	0.0	-89.4	0.0	2.0
NATIONAL MTG N-NMF	2353	9.47	0.00	NOV	0.00	1.75	0.0	98.9	0.0	0.0	-81.5	0.0	4.1
NO AMER MTG# N-NAM	4403	14.47	1.60	SEP	1.80	9.88X	2.8	21.5	5.5	16.2	-31.7	12.4	43.5
SUTRO MTG IN N-SUT	2322	16.97	0.00	DEC	0.00	3.63	-9.3	61.3	0.0	0.0	-78.6	0.0	8.4
TEXAS 1ST MT O-TFMRS	1055	18.44	0.00	DEC	0.00	2.88	-8.0	64.6	0.0	0.0	-84.4	0.0	3.0
TMC MTG INV A-TMG	800	18.70	0.00	DEC	0.12	3.88	-22.4	3.5	32.3	0.0	-79.3	0.6	3.1
UMET TRUST N-UAT	2109	16.25	0.00	NOV	0.00	1.88	-21.0	50.4	0.0	0.0	-88.4	0.0	4.0

GROUP AVERAGE 1994 16.73 0.44 0.50 4.29 -6.5 26.5 8.6 10.3 -74.4 3.0 237.4

#CASH FLOW. *GROSS CASH FLOW. @CASH FLOW INCLUDING DEBT DISCOUNT. Q-TRADING SUSPENDED. D-DEFERRED, MAY BE PAID LATER.
S-SPECIAL DIVIDEND; NOT ANNUALIZED.
NAME CHANGE: MISSION INVESTMENT TRUST FROM PALOMAR MORTGAGE INVESTORS.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	EARNINGS MON ANN*	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
SHORT-TERM MTG-INDEPENDENT													
CAPITAL MI	N-CMU	1675	21.40	0.00	DEC	0.00	2.50	-28.6	33.0	0.0	0.0	-88.3	4.2
CONTNLT MTG	N-CMI	20838	7.06	0.15	DEC	0.00	1.00	-27.5	44.9	0.0	15.0	-85.8	20.8
FIRST MTG IN	N-FIM	8495	11.72	0.00	OCT	0.00	1.13	-46.9	79.4	0.0	0.0	-90.4	9.6
MTG INV WASH	O-MINVS	2146	13.84	0.00	DEC	0.00	4.63	27.5	68.4	0.0	0.0	-66.5	9.9
REPUBLIC MI	N-RMI	2107	17.29	0.00	SEP	0.00	2.50	-9.1	121.2	0.0	0.0	-85.5	5.3
WESTERN MI	O-WMTGS	1001	8.49	0.00	NOV	0.00	2.63	50.3	163.0	0.0	0.0	-69.0	2.6

GROUP AVERAGE		6044	13.30	0.02		0.00	2.40	-5.0	78.1	0.0	1.0	-82.0	52.5
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SHORT-TERM MTG-COMCL BANK													
AMER FLETCHER	A-AFM	1352	24.73	0.00	OCT	0.00	3.19	-27.2	16.0	0.0	0.0	-87.1	4.3
BARNETT MTG	N-BMT	2174	20.32	0.00	DEC	0.00	2.88	-4.0	76.7	0.0	0.0	-85.8	6.3
CAMERON-BROWN	N-CB	2022	21.15	0.00	SEP	0.00	2.25	-14.4	38.0	0.0	0.0	-89.4	4.5
CHASE MAN MT	N-CMR	4886	26.90	0.84	NOV	0.00	5.00	-2.5	14.2	0.0	16.8	-81.4	24.4
CITINATL DEV	O-CITIG	600	18.50	0.14	DEC	0.00	2.63	16.9	163.0	0.0	5.3	-85.8	1.6
CITIZENS MI	N-CZM	1421	13.52	0.00	DEC	0.00	2.75	-15.4	68.7	0.0	0.0	-79.7	3.9
CITIZNS&SO RL	N-CZS	3829	20.39	0.60	DEC	0.00	3.50	-22.2	33.1	0.0	17.1	-82.8	13.4
COMMONWLT NTL	O-CWNRS	760	14.69	0.00	AUG	0.00	1.75	-6.9	16.7	0.0	0.0	-88.1	1.3
CONT ILL RLY	N-CIR	2797	16.84	0.00	DEC	0.00	2.00	-16.0	14.3	0.0	0.0	-88.1	5.6
FST COMMERCE	O-FCRNS	1008	23.51	1.20	DEC	1.28	6.75	-11.9	0.0	5.3	17.8	-71.3	6.8
FST DENVR MI	A-FDE	1621	16.95	0.00	DEC	0.00	3.13	-28.5	25.2	0.0	0.0	-81.5	5.1
FST PENN MT	N-FPM	2961	20.36	0.00	OCT	0.96	3.88	-8.7	41.1	4.0	0.0	-80.9	11.5
FST WISCN MT	N-FWM	1910	20.10	0.00	DEC	0.00	1.75	-26.5	-33.5	0.0	0.0	-91.3	3.3
INDEPEND MTG	O-IMTGS	2500	13.91	0.00	SEP	0.00	1.00	13.6	163.2	0.0	0.0	-92.8	2.5
TRI-SOUTH MI	N-TSI	2260	21.84	0.00	SEP	0.20	3.50	-17.6	27.3	17.5	0.0	-84.0	7.9
WACHOVIA RLY	N-WRI	3335	18.10	0.00	NOV	0.04	3.75	-3.4	50.0	93.8	0.0	-79.3	12.5
WELLS FAR MI	N-WFM	3911	17.99	0.40	DEC	0.00	5.00	-23.1	59.7	0.0	8.0	-72.2	19.6

GROUP AVERAGE		2315	19.40	0.19		0.15	3.22	-14.0	29.4	22.1	5.8	-83.4	134.5
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SHORT-TERM-MISC FINCL													
AMER CENTURY	N-ACT	2607	16.03	0.00	DEC	0.00	2.38	-17.4	72.5	0.0	0.0	-85.2	6.2
BENEF STD MI	N-BSM	1355	22.10	0.72	OCT	1.44	4.88	-23.5	39.4	3.4	14.8	-77.9	6.6
BUILDERS INV	N-BSG	2929	22.41	0.00	SEP	0.00	1.25	-64.3	-28.6	0.0	0.0	-94.4	3.7
CI MTG GROUP	N-CI	4812	15.75	0.00	JAN	0.00	1.63	-23.5	85.2	0.0	0.0	-89.7	7.8
DOMINION M&R	O-DMRTS	639	10.56	0.00	NOV	0.00	0.75	-25.0	0.0	0.0	0.0	-92.9	0.5
FIDELITY MI	N-FID	3046	11.76	0.00	JUL	0.00	0.00	0.0	-100.0	0.0	0.0	-100.0	0.0
GRT AMER MI	N-GAA	4455	13.95	0.00	OCT	0.00	2.00	-11.1	77.0	0.0	0.0	-85.7	8.9
HANOVER SQ R	A-HSQ	946	19.29	1.20	NOV	1.08	5.63	9.7	40.7	5.2	21.3	-70.8	5.3
IDS RLTY TR	N-IDR	2409	20.21	3.36	JAN	2.52	13.75	-9.8	1.9	5.5	24.4	-32.0	33.1
INSTITUTNAL	N-INV	6074	13.19	0.00	OCT	0.04	2.63	-12.3	132.7	65.7	0.0	-80.1	16.0
MTG TRUST AM	N-MT	3860	18.15	0.00	NOV	0.00	3.25	3.8	72.9	0.0	0.0	-82.1	12.5
NATIONWID RE	O-NRELS	1047	24.84	0.40	DEC	0.60	5.25	42.7	90.9	8.8	7.6	-78.9	5.5

GROUP AVERAGE		2848	17.35	0.47		0.47	3.62	-10.1	29.2	7.6	13.1	-79.2	106.2
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INTERMEDIATE-TERM MORTGAGES													
ALISON MTG I	N-AMV	2339	20.44	0.00	OCT	0.00	4.00	-27.3	23.1	0.0	0.0	-80.4	9.4
BARNET-WINST	O-BWITS	1663	17.74	0.00	DEC	0.00	2.25	-18.2	50.0	0.0	0.0	-87.3	3.7
DIVERSIFD MI	N-DMG	7327	15.83	0.52	SEP	0.00	2.00	-6.1	77.0	0.0	26.0	-87.4	14.7
FST VIRGINIA	A-FVM	1208	21.28	0.00	DEC	0.00	2.00	-27.3	14.3	0.0	0.0	-90.6	2.4
RLTY REFUND	A-RRF	1045	18.31	1.68	JAN	1.68	12.50	2.5	42.9	7.4	13.4	-31.7	13.1
SECURITY MTG	A-SMO	6787	10.60	0.00	DEC	0.00	1.13	-9.6	126.0	0.0	0.0	-89.3	7.7

GROUP AVERAGE		3395	17.37	0.37		0.28	3.98	-10.1	41.5	14.2	9.2	-77.1	50.9
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LONG-TERM MTG & EQUITIES													
ATLANTA NATL	O-ATNAS	1260	16.79	0.00	NOV	0.00	2.50	-9.1	66.7	0.0	0.0	-85.1	3.1
BT MTG INVT	N-BTM	2116	12.46	0.80	DEC	0.20	5.13	-2.3	46.6	25.6	15.6	-58.8	10.9
CLEVELAND RL	O-CTRIS	2525	15.29	0.00	DEC	0.00	3.00	0.0	71.4	0.0	0.0	-80.4	7.6
CON GEN M&R#	N-CGM	5715	23.00	1.60	DEC	1.60	12.63	-3.8	18.8	7.9	12.7	-45.1	72.2
COUSINS M&EQ	N-CUZ	3854	19.79	0.00	NOV	0.00	2.50	-23.1	81.2	0.0	0.0	-87.4	9.6
EQUIT LF MTG	N-EQ	5597	24.12	1.69	JAN	1.76	13.63	-3.5	14.7	7.7	12.4	-43.5	76.3
FIDELCO GROW	A-FGI	1580	25.58	0.00	NOV	0.00	7.50	39.4	100.0	0.0	0.0	-70.7	11.8
FST MEMPHIS	O-FMEMS	1156	18.05	0.40	AUG	0.48	4.75	5.6	46.2	9.9	8.4	-73.7	5.5
GULF MTG&RLY	N-GMR	2210	17.68	0.00	NOV	0.00	2.38	-24.0	26.6	0.0	0.0	-86.5	5.3
HNC MTG&RLY	O-HNCMS	2388	19.33	0.00	OCT	0.00	2.13	6.5	113.0	0.0	0.0	-89.0	5.1
HOSPITAL MTG	A-HMG	1178	22.99	0.60	NOV	1.04	4.88	-4.9	44.4	4.7	12.3	-78.8	5.7
HOTEL INVSTR	A-HOT	1536	20.02	2.08	NOV	1.40	7.63	1.7	10.9	5.4	27.3	-61.9	11.7
LARWIN RLTY	A-LRM	3610	18.54	0.92	AUG	0.92	4.50	-18.2	24.0	4.9	20.4	-75.7	16.2
MASSMUT MTG	N-MML	4670	23.66	1.20	OCT	1.20	10.00	0.0	33.3	8.3	12.0	-57.7	46.7
MONY MTG INV	N-MYM	8825	9.88	0.68	NOV	0.68	6.38	6.3	30.7	9.4	10.7	-35.4	56.3
MTG GROWTH I	A-MTG	2652	12.50	0.72	AUG	0.88	3.88	-6.1	24.0	4.4	18.6	-69.0	10.3
NOWSTRN FINC	O-NFINS	1510	17.79	0.00	SEP	1.24	3.75	-26.9	50.0	3.0	0.0	-78.9	5.7
NOWSTRN MUTL	N-NML	4758	19.73	1.24	DEC	1.24	11.13	3.5	15.6	9.0	11.1	-43.6	53.0
OLD STONE M#	O-OSMRS	813	12.99	0.00	DEC	0.00	2.75	-15.4	57.1	0.0	0.0	-78.8	2.2
PACIFIC STHN	O-PSMTS	814	13.65	0.40	DEC	0.64	2.75	-26.7	83.3	4.3	14.5	-79.9	4.7
PNB MTG&RLY#	N-PNI	2437	18.74	0.40	SEP	0.32	5.00	11.1	42.9	15.6	8.0	-73.3	12.2
RAM PACIFIC	O-RPACS	1890	19.15	1.20	NOV	1.28	8.00	-1.6	52.4	6.3	15.0	-58.2	15.1
STATE MUTUAL	N-SMU	2786	17.25	0.00	DEC	0.00	3.00	-17.4	26.1	0.0	0.0	-82.6	8.4

GROUP AVERAGE		2864	18.22	0.61		0.65	5.64	-3.1	34.6	8.7	10.7	-69.0	453.1
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WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
ALISON MTG	O-ALISS	12/75	19	19.00	1.0	0.13	4.00	378.2	0.0	0.0
ALISON MTG*B	O-ALISW	12/76	396	27.50	1.0	0.13	4.00	590.7	-65.8	0.1
AMER CENTURY	A-ACTW	6/78	897	23.00	1.0	0.25	2.38	876.9	0.0	0.2
AMER FLETCMR	A-AFMW	2/78	488	25.00	1.0	0.38	3.19	695.6	-49.3	0.2
AMER REALTY	A-ARBW	9/76	1098	9.63	1.0	0.25	2.13	363.8	2400.0	0.3
ATICO MTG IN	A-ACOW	12/79	563	15.00	1.0	1.13	4.50	258.4	-13.7	0.6
ATICO MTG(B)	O-ATICS	4/81	358	21.00	1.0	0.13	4.50	369.6	0.0	0.0
ATLANTA NATL	O-ATNAW	8/76	1260	20.00	1.0	0.13	2.50	705.2	1200.0	0.2
BARNES MTG	O-BARNW	12/77	1910	20.00	1.0	0.13	2.50	705.2	0.0	0.2
BARNETT MTG	O-BMTRW	4/80	559	20.00	1.0	0.19	2.88	601.0	171.4	0.1
BARNITT-WINST	O-BWITW	7/77	1657	20.00	1.0	0.05	2.25	791.1	-37.5	0.1
BENEF STD (B)	O-BSMB5	3/77	285	27.75	1.0	0.10	4.88	470.7	0.0	0.0
BENEF STD MT	A-BSMW	7/75	554	20.00	1.0	0.38	4.88	317.6	22.6	0.2
BERG ENT RG	A-BRTW	11/77	1400	10.00	1.0	0.31	1.88	448.4	24.0	0.4
BT MTG INV	O-BTMGW	1/77	425	24.00	1.0	0.06	5.13	369.0	20.0	0.0
BUILDER IN	O-BULDW	12/86	1955	25.00	1.0	0.25	1.25	1920.0	-60.3	0.5
CAMERON-BRW	O-CMRNW	11/76	1477	23.51	1.1	0.02	2.25	945.7	-60.0	0.0
CAPITAL MTG	O-CMORW	11/79	471	20.00	1.0	0.13	2.50	705.2	0.0	0.1
CENTRAL MTG	O-CMRTW	3/77	775	20.00	1.0	0.13	5.00	302.6	0.0	0.1
CI MTG GROUP	A-CI-W	3/80	2854	20.00	1.0	0.31	1.63	1146.0	-18.4	0.9
CI REALTY IN	O-CIRLW	3/77	2609	25.00	1.0	0.06	3.75	568.3	200.0	0.2
CITIGENS GRO	O-CITGW	1/77	785	20.00	1.0	0.01	2.25	789.3	0.0	0.0
CITINATL DEV	O-CITIS	4/78	600	20.00	1.0	0.03	2.63	661.6	50.0	0.0
CITIZENSTMG	A-CZMW	1/77	693	15.00	1.0	0.38	2.75	459.3	-13.6	0.3
CITZNS & SO	O-CSRIW	10/75	547	20.00	0.5	0.05	3.50	474.3	0.0	0.0
CLEVETRST RL	O-CTRIW	1/76	2507	20.00	1.0	0.05	3.00	568.3	0.0	0.1
COLWELL MIB	O-CLWLW	9/76	296	31.38	1.0	0.02	3.13	903.2	-33.3	0.0
COLWELL MTG	A-CLMW	12/77	225	20.00	1.0	0.75	3.13	562.9	-40.0	0.2
CONT ILL RLY	O-COIS	4/76	179	20.00	1.0	0.02	2.00	901.0	-60.0	0.0
COUSINS MTG	A-CUZW	2/77	740	24.63	1.0	0.63	2.50	910.4	0.0	0.5
DENVER REIA	O-DENV5	5/76	177	11.00	1.0	0.25	7.00	60.7	92.3	0.0
DOMINION (B)	O-DMRTZ	10/87	550	17.75	1.0	0.05	0.75	2273.3	-80.0	0.0
DOMINION M&R	O-DMRTW	6/76	397	12.00	1.0	0.01	0.75	1501.3	-92.3	0.0
FEDERAL RLT	O-FDLRW	12/76	230	10.00	1.0	0.50	9.00	16.7	100.0	0.1
FIDELCO GROW	A-FGIW	9/75	136	25.00	1.0	0.38	7.50	238.4	-13.6	0.1
EFIDELITY MTG	O-FIDE5	3/79	154	22.25	1.0	0.00 Q	0.00 Q	*****	-100.0	0.0
FIR MEMPHIS	O-FMEMW	2/78	1124	20.00	1.0	0.38	4.75	329.1	0.0	0.4
FIRST DENVER	A-FDEW	10/75	1398	20.00	1.0	0.25	3.13	547.0	0.0	0.3
FIRST PEN(B)	O-FPMTZ	9/75	540	28.25	0.5	0.10	3.88	633.2	0.0	0.1
FIRST PENN	O-FPMTW	7/77	1488	20.00	0.5	0.05	3.88	418.0	0.0	0.1
FIRST UNION	O-FUREW	12/76	600	12.75	1.0	0.25	9.13	42.4	31.6	0.1
FIRST VA MTG	A-FVMW	5/77	1208	25.00	1.0	0.19	2.00	1159.5	0.0	0.2
FLATLEY RLT	O-FLTLLW	5/75	1000	10.00	1.0	0.19	2.75	270.5	0.0	0.2
GUARDIAN MT*	A-GMIW	5/76	241	36.00	1.0	0.38	3.13	1062.3	0.0	0.1
GULF MTG&RL*	A-GMRW	3/76	2210	20.00	1.0	0.25	2.38	750.8	0.0	0.6
EGULF SO MTG	A-GSRW	2/77	759	20.00	1.0	0.00 Q	0.00 Q	*****	*****	0.0
HAMLTION INV	O-HAMTZ	5/83	2094	20.00	1.0	0.10	2.00	905.0	25.0	0.2
HOSPITAL MTG	A-HMGW	2/77	1178	25.00	1.0	0.25	4.88	417.4	-19.4	0.3
IDS RLT TR	O-IDSRW	2/77	1406	25.00	0.5	0.50	13.75	89.1	-33.3	0.7
INDEPEND MTG	O-INTGW	6/75	2500	25.00	1.0	0.01	0.88	2742.0	-92.3	0.0
INDIANA M&R	O-IMDHW	6/77	1141	20.00	0.5	0.13	3.88	422.2	-48.0	0.1
JMB REALTY	O-JMBRW	8/77	510	20.00	1.0	0.50	11.50	78.3	284.6	0.3
JUSTICE MI	O-JUSTW	1/78	942	20.00	1.0	0.13	3.38	495.6	-31.6	0.1
JUSTICE MTG	O-JUSTZ	1/79	300	25.75	1.0	0.25	3.38	669.2	-19.4	0.1
KMC MTG IN	O-KMTGW	12/76	1100	15.00	1.0	0.08	1.50	905.3	100.0	0.1
LARWIN RLT	A-LRMW	12/76	3610	20.00	1.0	0.25	4.50	350.0	0.0	0.9
LMI INVSTRS	O-LWN5	4/77	700	32.00	1.0	0.05	1.63	1866.3	-16.7	0.0
M&T MTG INV	O-MTMIZ	8/80	747	13.00	1.0	0.19	6.50	102.9	46.2	0.1
MIDLAND MTG	O-MIDMW	9/76	239	12.50	1.0	0.10	2.63	379.1	-23.1	0.0
MISSION INV	A-PMIW	3/77	604	16.50	1.0	0.19	1.13	1377.0	0.0	0.1
MTG INV WASH	O-MINW	3/80	931	15.00	1.0	0.25	4.63	229.4	-34.2	0.2
MTG TRUST AM	O-MORTW	11/77	2482	19.00	1.0	0.10	3.25	487.7	0.0	0.2
NATIONAL MTG	O-NMTGW	3/79	251	10.00	1.0	0.13	1.75	478.9	0.0	0.0
NATIONWID RE	O-NRELW	1/76	652	32.00	1.0	0.13	5.25	512.0	116.7	0.1
NORTH AM MTG	A-NAMR5	3/79	710	31.13	1.0	1.00	9.88	225.2	-5.7	0.7
NOWSTRN FINC	O-NFINW	11/77	1510	19.09	1.1	0.25	3.75	415.1	92.3	0.4
OLD STONE MT	O-OSMRW	3/77	600	16.00	1.0	0.05	2.75	483.6	0.0	0.0
PEASE ELLIMN	A-PNEW	11/77	1113	18.50	1.0	0.25	2.38	687.8	0.0	0.3
PNB MTG&RLTY	A-PNIW	12/77	1220	20.00	1.0	0.44	5.00	308.8	15.8	0.5
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	0.31	2.50	712.4	-18.4	0.3
RLTY REFUND	O-RREFW	6/77	1013	20.00	1.0	0.50	12.50	64.0	31.6	0.5
SECURITY MT*	A-SMOW	5/79	3117	16.00	1.0	0.25	1.13	1338.1	-19.4	0.8
SUTRO MIT(B)	A-SUTW	6/77	700	20.00	1.0	0.44	3.63	463.1	0.0	0.3
SUTRO MTG IN	O-SUTR5	4/76	299	22.00	1.0	0.06	3.63	507.7	0.0	0.0
TAKS 1ST MT	O-TFMRW	6/76	1055	20.00	1.0	0.05	2.88	596.2	0.0	0.1
TRI-SOUTH MI	O-TSMGW	12/77	418	20.00	0.5	0.25	3.50	485.7	25.0	0.1
US LSG REI	A-USEW	12/80	1348	25.00	1.0	0.56	5.00	411.2	-18.8	0.8
WALTER JIM	O-WALJW	7/77	1035	18.50	1.0	0.13	5.50	238.7	0.0	0.1
WELLS FARGO	O-WELLW	7/77	3458	20.00	0.5	0.13	5.00	305.2	30.0	0.4

HOW TO USE COMPARATIVE TRUST STATISTICS

The data are intended to facilitate comparison of relative efficiency of trust management with funds available during the latest period. Every effort has been made to present data for that purpose. Readers should note that the data are historical and not projections of future trends. This holds especially for dividends, which vary with each quarter's earnings for most mortgage trusts and thus are not to be considered in any way as guaranteed yields.

The heart of the comparisons is annualization of current earnings and dividend rates. For mortgage trusts, this is done by multiplying the latest quarter by four without seasonal adjustment. These earnings are adjusted for conversion of debt (i.e., fully diluted) but not for exercise of warrants, as described below. For equity trusts, net cash flow (defined as earnings plus depreciation and non-cash charges minus mortgage amortization) has been used and any known seasonal factors applied. The symbol "Q" denotes use of cash flow in the earnings columns. Group averages may be reduced to the extent new trusts are included in any given group.

The number of shares outstanding is the number issued as of the latest balance sheet and is not adjusted for conversion or exercise of warrants. Book value per share however is adjusted for conversion of all convertible debentures. It does not reflect changes for any exercise of warrants nor does it reflect any adjustment for any changes in asset values through appreciation or losses.

Five standard comparisons are presented: price changes since the last issue and since Jan. 1 of the current year; price/earnings ratios and annualized yield based upon current market prices; and percentage of market price to book value. All values are positive unless indicated.

The sixth comparison, return on book value, measures management's performance with available funds. Because of the increasing complexity of trust capital structures, the computations are made in the following manner for trusts with these capital structures:

Convertible debentures only: Fully diluted earnings are compared with fully converted book value per share, since funds from convertibles are at work.

Warrants only: Primary earnings per share are compared with book value without assuming warrant exercise, since again this measures funds actually in use. Trusts in this category currently reporting significant differences in their primary and diluted earnings annual rates are listed separately.

Both warrants and convertibles: Fully converted book value is used. Primary earnings are being used because these are closest to converted earnings. Data for these trusts are slightly overstated. Where primary numbers are well above the dividend, the dividend is used and so noted. Trusts in this category are listed separately.

GENERAL FOOTNOTES

*COLUMNS ANNUALIZED-QUARTER MULTIPLIED BY FOUR. #CASH FLOW. X-EX DIVIDEND. @CASH FLOW INCLUDING DEBT DISCOUNT AMORTIZATION. SYMBOLS SHOWN ARE TICKER SYMBOLS FOR LISTED ISSUES AND NASDAQ SYMBOLS WHERE AVAILABLE. ALL OTHERS ARE FOR COMPUTER IDENTIFICATION.

*DEBENTURES USABLE IN LIEU OF CASH.
Q-TRADING SUSPENDED.
EXTENDED: CITINATIONAL DEVELOPMENT.
NAME CHANGE: PALOMAR MTG. TO MISSION INV.

DIVIDEND TREND: DOWNWARD MOVES CONTINUE BUT INTEREST RATE PRESSURES EASING

With the absence of strong equity participants in this month's tabulations, there was scant cause for positive views of payouts. Only thirteen of those 25 trusts reporting actually made payments (excluding the monthly by New Plan Realty). And of these, only three were up from the prior quarter and only Realty ReFund resulted from genuine improvement from a meaningful level. Specializing in refinancing existing income properties, this is one of the few non-equity trusts with no problems hence the lower interest rates available in the Dec. quarter flowed into earnings. While not readily apparent in other trusts, this is a harbinger of improvement under declining interest rate cycle where problems can be reduced. Realty Income, the equity combo trust, and Pacific Southern also managed quarter-to-quarter gains but Realty Income was from a very depressed level and Pacific Southern's respite is only temporary with a subsequent loss reserve necessitated.

The others with moderately encouraging payouts were four which maintained the previous quarter: Arlen Property, MONY Mortgage, Nationwide REI and Wells Fargo Mortgage. MONY, in fact, has maintained an overall creditable showing with its latest payment down only 15% from last year. Nationwide's bottoming may reflect lumps taken earlier. About the only other category for relative decent showing were those trusts that paid anything, even if less. First Commerce Realty, Baird & Warner Mtg. and Central Mtg. were among those which are higher regarded short-term trusts.

Mostly big cuts or omissions prevailed. Some were quite surprising as with Saul REIT and U.S. Leasing REI, combination trusts where the construction portfolio problems overwhelmed the package causing omissions. The real extent of how tough things are is evident in the year-to-year comparison which shows payouts down 83%. Thus the current annualized payout is \$154 million for all trusts, down from the \$606 million peak. In this regard, only Arlen, MONY and Realty ReFund approach respectability with declines of less than 30%.

Our tally of declarations:

	Up	Same	Down	Total	% Change
-----From previous quarter-----					
Feb.	3	8	14	25	-60%
Year	4	16	27	47	----
-----From previous year-----					
Feb.	0	0	24	24	-83%
Year	2	4	40	46	----

	Record date	-Dividend per share- Latest	Previous	-Net change Amt % Extra	Year Ago	% Change
Alison Mtg.	Omitted	\$0.00	\$0.51	-\$0.51 -100	\$0.77	-100
Arlen Property	2/14	0.25	0.25	NC	0.35	-29
BT Mortgage	2/25	0.20	0.35	-15 -43	0.50	-60
Baird & Warner Mtg	2/18	0.12	0.25	-13 -52	0.49	-76
Barnes Mortgage	2/28	0.05	0.10	-05 -50	0.50	-90
Barnett Mortgage	Omitted	0.00	0.00	NC	0.71	-100
Barnett-Winston Mtg.	Omitted	0.00	0.00	NC	0.53	-100
Capital Mtg.	Omitted	0.00	0.00	NC	0.70	-100
Central Mtg.	2/7	0.12	0.40	-28 -70	0.57	-79
Chase Man. Mtg	5/14	---	---	---	0.835	---
Commonwealth Nat'l	Omitted	0.00	0.15	-15 -100	NO	---
Cont'l Ill. Realty	Omitted	0.00	0.00	NC	0.48	-100
First Commerce Rty.	2/12	0.30	0.60	-30 -50	0.60+08EX	-50
First Va. Mtg	Omitted	0.00	0.12	-12 -100	0.42	-100
HMC Mtg. & Realty	Omitted	0.00	0.10	-10 -100	0.54	-100
Investors Realty	Deferred	---	---	---	---	---
MWMT Mortgage	2/28	0.17	0.17	NC	0.20	-15
Midland Mtg.	Deferred	---	---	---	---	---
Mortgage Inv. Wash.	Omitted	0.00	0.20	-20 -100	0.45	-100
Nationwide REI	2/14	0.10	0.10	NC	0.34	-71
New Plan Realty	2/17	0.14M	0.14	NC	0.14	NC
Pacific-SO. Mtg.	3/3	0.00	0.05	+05 +100	0.30	-67
Realty Income	2/28	0.16	0.14	+02 +14	0.425	-62
Realty Refund	2/28	0.42	0.40	+02 +5	0.59	-29
Saul (B.F.) REIT	Omitted	0.00	0.15	-15 -100	0.39	-100
Summit Properties	3/5	0.05	0.275	-225 -82	0.275	-82
THE Mortgage	Omitted	0.00	0.51	-51 -100	0.98	-100
U.S. Leasing REI	Omitted	0.00	0.39	-39 -100	0.47	-100
Wells Fargo Mtg.	2/7	0.10	0.10	NC	0.50	-80
Totals (25 Trusts)b		\$2.14	\$5.315	-\$3.175 -60	\$12.08	-83

b-Exclude monthly declarations. NO-No operations. NC-No change. M-Monthly. Trust with reduced declarations underlined.

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG
ALISON MTG	AS	'91	6.75	27.50	48.00	14.1	-3.5
AMER CENTURY	AS	'90	7.00	21.00	31.00	22.6	-4.6
AMER CENTY'B	NY	'91	6.75	28.00	34.50	19.6	1.5
AMER REALTY	OC	'84	7.00	10.67	35.50	19.7	18.3
BAIRD&WARNER	OC	'91	6.75	21.00	36.00	18.8	2.9
BANKAMERICA	OC	'90	6.75	21.00	66.00	10.2	4.8
BENEF STD MI	AS	'91	6.50	27.75	42.75	15.2	6.9
CAPITAL MTG	OC	'91	6.50	31.95	23.00	28.3	-11.5
CHASE MANHTN	NY	'96	6.50	55.00	46.00	14.1	5.7
COLWELL MTG	OC	'91	6.50	29.38	46.00	14.1	15.0
CONN GENERAL	NY	'96	6.00	32.50	61.00	9.8	6.6
CONTNLT MTG	NY	'90	6.25	19.79	21.13	29.6	-12.0
EQUITBL LF M	NY	'90	6.75	26.25	65.00	10.4	6.6
EFIDELITY MI	AS	'85	7.75	21.25	Q 0.00	****	****
FIRST PENN M	OC	'91	6.75	26.00	38.00	17.8	-2.6
FIRST UNION	NY	'91	7.00	13.00	70.50	9.9	0.7
FRANKLIN RLY	AS	'89	7.00	10.00	55.00	12.7	17.0
GRT AMER MI	OC	'91	7.00	35.50	15.00	46.7	36.4
HANOVER SG R	AS	'92	7.25	21.00	46.00	15.8	4.5
HEITMAN MTG	AS	'92	7.50	14.70	42.50	17.6	-5.6
HNC MTG	OC	'91	6.75	21.00	35.00	19.3	9.4
HOTEL INVSTR	OC	'90	7.75	21.00	47.00	16.5	11.9
HOTEL INVTRS	OC	'91	7.50	25.25	44.00	17.0	0.0

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG
LINCOLN MTG	OC	'90	8.00	11.00	30.00	26.7	0.0
MASSMUTL MTG	NY	'90	6.75	21.00	71.00	9.5	14.5
MASSMUTUAL M	NY	'91	6.25	33.50	57.00	11.0	9.6
MIDLAND MTG	OC	'86	7.00	16.67	33.00	21.2	17.9
MONY MTGIN	NY	'90	7.00	11.00	70.13	10.0	1.6
MTG INV WASH	OC	'90	8.00	15.00	43.00	18.6	7.5
NATIONAL MTG	OC	'91	7.00	12.00	9.00	77.8	28.6
NATIONWID RE	OC	'91	7.00	28.50	50.00	14.0	0.0
NJB PRIME	AS	'91	6.75	21.00	21.50	31.4	0.0
NOWSTRN MUTL	NY	'91	6.00	21.00	62.00	9.7	9.0
OLD STONE MT	OC	'87	6.88	15.00	40.00	17.2	8.1
RAM PACIFIC	OC	'91	6.75	21.00	57.00	11.8	7.5
REALTY INCOM	AS	'91	8.00	16.50	51.25	15.6	-1.4
REPUBLIC MI	NY	'90	7.25	19.00	48.50	14.9	2.1
SAUL (BF) RL	OC	'91	6.50	23.00	37.00	17.6	0.0
SAUL (BF) REI	OC	'90	8.00	15.50	45.00	17.8	2.3
STATE MUTUAL	AS	'91	6.75	21.00	42.00	16.1	7.7
SUTRO MIT	NY	'82	6.75	20.00	52.50	12.9	5.0
SUTRO MTG	AS	'91	6.75	20.00	40.50	16.7	2.5
TRI-SOUTH MI	NY	'92	7.00	29.50	36.00	19.4	7.0
US BANCORP	AS	'92	7.00	26.25	56.00	12.5	12.0
US REALTY IN	NY	'89	5.75	20.20	39.88	14.4	8.9